

## **SPECIAL POWER OF ATTORNEY**

The undersigned, ....., identified with ID card series..... No..... personal identification number ..... owning ..... shares issued by IAR SA, which confers me ..... votes in the General Shareholders Meeting, I hereby appoint Mr. / Ms. ...., holder of the I.C. series ..... number ....., personal identification number ....., as my representative in the IAR SA Extraordinary General Meeting of Shareholders, which will take place on the 19.04.2017, time 11:00, or on the 20.04.2017, time 11:00 - date of the of the second meeting (if the first could not take place) to exercise the voting rights attached to the shares owned by me at this company for the issues included in the agenda of the meeting as follows :

**1 Paragraph 1 of Article 3 – Company headquarters in CHAPTER I - NAME, LEGAL FORM, HEADQUARTERS, DURATION of the Constitutive Act of IAR SA is amended as follows:**

**“Art. 3 – The company headquarters**

**(1) The Company headquarters is in Romania, Brasov, Ghimbav town, 34, HERMANN OBERTH Street.”**

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**2 The main object of activity NEAC code 3316-Repair and maintenance of aircraft and spaceships, is replaced with NEAC code 3030-Manufacturing of aircraft and spaceships, NEAC Code 3316 becoming secondary activity.**

**Thus art 6 “Object of activity” of CHAPTER - II – SCOPE AND OBJECT OF ACTIVITY OF THE COMPANY of the Constitutive Act of IAR SA changes as follows:**

**“Art. 6 – The object of activity**

**The object of the company consists of activities defined and coded according to the National Classification of Economic Activities - NACE, as updated by Order No. 337 / 20.04.2007 issued by the President of the National Institute of Statistics.**

**(1) The main activity performed by the company is that set out in Class 3030 - "Manufacture of aircraft and spacecraft" which is part of Group 303 "Manufacture of aircraft and spacecraft "Division 30" Manufacture of other transport equipment“**

**(2) The Company may conduct the following secondary activities:**

<b>ACTIVITY CODE</b>	<b>ACTIVITY</b>
3316	Repair and maintenance of aircraft and spacecraft
1392	manufacture of textile articles, except apparel and underwear
1399	manufacture of other textiles: n.c.a.
1512	manufacture of luggage, handbags and saddlery and harnesses
1624	manufacture of wooden containers
2219	manufacture of other rubber products
2512	manufacture of elements of carpentry and metal work
2550	manufacture of metal wrought products; powder metallurgy
2561	treatment and coating of metals
2599	manufacture of other metal items n.c.a.
2540	manufacture of weapons and ammunition
3109	manufacture of furniture n.c.a.
3530	steam and air conditioning supply
3600	collection, purification and distribution of water
4520	vehicles maintenance and repair
4690	specialized wholesale trade import-export of military goods according to normative acts which:

	<ul style="list-style-type: none"> <li>- approve the lists of weapons, ammunition and other military products and dual-use items,</li> <li>- governs the control of exports of dual-use technologies,</li> <li>- governs the import and export control of strategic goods</li> </ul>
4724	retail trade of bread, confectionery and sugar confectionery in specialized stores
5223	other food service
5629	road goods transport
4941	passenger air transport
5110	handlings
5224	storage
5210	renting and leasing of cars and light road auto vehicle
7711	activities of renting and leasing of air transport equipment
7735	renting and leasing of vehicles and office equipment (including computers)
7733	other food service
7739	renting and leasing of other machinery, equipment and tangible goods n.c.a.
6202	IT consultancy activities
6201	activities to develop custom software (customer –oriented software)
6311	data processing, hosting and related activities
6312	activities of web portals
6820	lease and sublease of own or leased real estate
7219	research and development on natural sciences and engineering
7320	activities on market research and public opinion polling
7022	consulting activities for business and management
7120	technical testing and analysis activities
8219	activities photocopying, document preparation and other specialized office support activities
8559	other education n.c.a.
8621	general healthcare activities
9311	activities of sports facilities
9319	other sports activities

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☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**3 Paragraph 2 of Art. 7 “Share capital” of CHAPTER - III - CAPITAL, SHARES of the Constitutive Act of IAR SA is modified as follows:**

**“Art. 7 – Share capital**

**(2) The share capital is subscribed and paid by legal entities and individuals, as follows:**

<b>SHAREHOLDER</b>	<b>NO. OF SHARES</b>	<b>SHARE CAPITAL</b>	<b>%</b>
<i>The Ministry of Economy, on behalf of the Romanian State</i>	12,250,488	30,626,220	64.89
<i>The Ministry of Social Justice</i>	1,378,156	3,445,390	7.3
<i>Other shareholders, juridical and physical entities</i>	5,250,209	13,125,522.50	27.81
<b>TOTAL</b>	<b>18,878,853</b>	<b>47,197,132.50</b>	<b>100</b>

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☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**4A IAR SA proposal** The paragraph 3 and 4 of Art. 12 “ The prerogatives of the general meeting of shareholders” in CHAPTER IV-GENERAL MEETING OF SHAREHOLDERS of the Constitutive Act of IAR SA are modified as follows:

**“Art. 12 - The prerogatives of the general meeting of shareholders**

**3) The ordinary general shareholders meeting has the following main prerogatives:**

- a) to discuss, approve or modify the annual financial statements, based on reports submitted by the Board of Directors, or, where appropriate, by the financial auditor and establish the dividend;
- b) to appoint and dismiss the Board members,
- c) to appoint or dismiss the financial auditor and establish the minimum duration of the financial audit contract;
- d) to establish the remuneration due for the current Board members;
- e) to decide on the Board of Directors administrative prerogatives,
- f) to establish the income and expenditure budget and, where appropriate, the activity program, for the following financial year;
- g) to decide the pledge, lease or closing of one or more units of company,
- h) to decide on the long terms bank loans contracting, ie over 5 (five) years
- i) to examine the reports of the Board on the status and the company's prospects with regard to profit and dividends, to the domestic and international market position, the technical level, quality, labor, environment, relationships with customers;
- j) to decide on legal action against the Board members,

(4) The Extraordinary General Meeting of Shareholders has the following main prerogatives:

- a) changing the legal form of the company;
- b) relocation of the company;
- c) change of the company's object of activity;
- d) the creation or abolition of some secondary units: branches, agencies or other such units without legal personality, unless the Constitutive Act provides otherwise;
- e) capital increase;
- f) reduction of share capital or reunification by issuing new shares;
- g) merger with other companies or division of the company;
- h) anticipated dissolution of the company;
- i) conversion of registered shares into bearer shares or bearer shares into registered shares;
- j) conversion of shares from one class to another;
- k) conversion of a category of bonds or shares in another category;
- l) the acts of the acquisition, exchange or constitution of guarantees on assets classified as intangible assets of the Company, whose value exceeds, individually or cumulatively during a financial year, 20% of total intangible assets,
- m) rentals of tangible assets for a period longer than one year, whose individual or cumulated value compared to the same counterparty or persons involved or acting jointly exceed 20% of the total assets,
- n) any other amendment of the Constitutive Act or any other resolution requiring the approval of the extraordinary general meeting,"

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**ABSTENTION**

**4B Ministry of Economy proposal** The paragraph 3 and 4 of Art. 12 “ The prerogatives of the general meeting of shareholders” in CHAPTER IV-GENERAL MEETING OF SHAREHOLDERS of the Constitutive Act of IAR SA are modified as follows:

**“Art. 12 - The prerogatives of the general meeting of shareholders**

3) The ordinary general shareholders meeting has the following main prerogatives:

- a) to discuss, approve or modify the annual financial statements, based on reports submitted by the Board of Directors, or, where appropriate, by the financial auditor and establish the dividend;
- b) to appoint and dismiss the Board members,
- c) to appoint or dismiss the financial auditor and establish the minimum duration of the financial audit contract;
- d) to establish the remuneration for the Board members;
- e) to decide on the Board of Directors administrative prerogatives,
- f) to establish the income and expenditure budget and, where appropriate, the activity program, for the following financial year;
- g) to decide the pledge, lease or closing of one or more units of company,

- h) to decide on the long terms bank loans contracting, ie over 5 (five) years
  - i) to examine the reports of the Board on the status and the company's prospects with regard to profit and dividends, to the domestic and international market position, the technical level, quality, labor, environment, relationships with customers;
  - j) to decide on legal action against the Board members,
- (4) The Extraordinary General Meeting of Shareholders has the following main prerogatives:
- a) changing the legal form of the company;
  - b) relocation of the company;
  - c) change of the company's object of activity;
  - d) the creation or abolition of some secondary units: branches, agencies or other such units without legal personality, unless the Constitutive Act provides otherwise;
  - e) capital increase;
  - f) reduction of share capital or reunification by issuing new shares;
  - g) merger with other companies or division of the company;
  - h) anticipated dissolution of the company;
  - i) conversion of registered shares into bearer shares or bearer shares into registered shares;
  - j) conversion of shares from one class to another;
  - k) conversion of a category of bonds or shares in another category;
  - l) any other amendment of the Constitutive Act or any other resolution requiring the approval of the extraordinary general meeting,"

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**5 Paragraph 3 of Art. 13 - Convening of the general meeting of shareholders in CHAPTER IV - GENERAL SHAREHOLDERS MEETING of the Constitutive Act of IAR SA is modified as follows:**

**"Art. 13 – Convening of the General Meeting of Shareholders**

- (3) The Ordinary General Meeting are held at least once a year, no more than 4 (four) months from closing the economic and financial year, to examine and approve the annual financial statements drawn up according to the law for the previous year."

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**6 Art 15 – “Exerting the voting rights in the general meeting of shareholders” of Chapter IV - GENERAL SHAREHOLDERS MEETING of the Constitutive Act of IAR SA will be completed with a new paragraph, as follows:**

**"Art. 15 – Exerting the right to vote in the general meetings of shareholders**

- 4) The company will guarantee the right to vote by mail, the procedure for exercising the right to vote by mail will be displayed on the web site of the company."

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**7 The paragraph 3 of Article 16 - Organization of CHAPTER V - BOARD OF DIRECTORS of the Constitutive Act of IAR SA will be completed with the phrase "and the Constitutive Act", as follows:**

**CHAPTER V - BOARD OF DIRECTORS**

**"Art. 16 – Organization**

- 3) The Board of Directors is responsible for carrying out all the necessary and appropriate activities in order to achieve the company's object of activity, except those reserved by law and the Constitutive Act to the general meeting of shareholders."

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**8A IAR SA proposal** Similar to the modification of paragraph 3 and 4 of Article 12 and of paragraph 3 of Article 13, the prerogatives of the Board of Directors stipulated in the Constitutive Act of IAR SA are amended as follows:

***“Art. 17 – The prerogatives of the Board of Directors***

*(1) The Board has the following main responsibilities:*

- a) to approve the rules of organization and functioning of the company;*
  - b) to set out the main directions of company activity and development;*
  - c) to establish marketing tactics and strategy;*
  - d) to approve the business plan;*
  - e) to appoint / dismiss the managing directors of the company and to establish their salaries;*
  - f) to approve the collective labor agreement negotiated by the company general manager and team appointed thereby;*
  - g) is responsible for the company property management, under the law;*
  - h) to approve the revenues and payments, according to the powers granted;*
  - i) to examine and submit for approval by the general shareholders meeting, association contracts with third parties;*
  - j) to submit to annual review and approval of the general meeting of shareholders no later than 4 (four) months from the conclusion of the financial year, the company's business report, the annual financial statements for the previous year and the draft of activities program*
  - k) the annual financial statements and the management report accompanied by supporting documents, are presented to the financial auditors at least one month before the date set for the General Meeting of Shareholders;*
  - l) to establish the accounting system and the financial control and approve the financial planning;*
  - m) to introduce the company's demand for opening of insolvency proceedings under the law in force;*
  - n) to survey the directors' activity;*
  - a) to decide on the lease and sublease of own property excluding the assets as defined in the legislation on the privatization of companies or leased within the limits set out by specific legislation in force*
  - p) to approve the company's organizational structure and number of posts and establish the normative setup of the functional departments and production;*
  - q) to decide on bank loans on short and medium term, respectively less than 5 (five) years, as well as on bank guarantees,*
  - r) to exert any other powers and solve any other issues determined by the general meeting of shareholders, or stipulated by the law;*
- (2) The Board of Directors will give mandate to the general director and other executives to meet some of its powers.*
- (3) The Board may not delegate the mentioned powers to the directors under Art. 17, letters b), d), e), j), k), l), m) and p).”*

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**PRO**

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**AGAINST**

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**ABSTENTION**

**8B Ministry of Economy proposal** Similar to the modification of paragraph 3 and 4 of Article 12 and of paragraph 3 of Article 13, the prerogatives of the Board of Directors stipulated in the Constitutive Act of IAR SA are amended as follows:

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*(1) The Board has the following main responsibilities:*

- a) to approve the rules of organization and functioning of the company;*
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- c) to establish marketing tactics and strategy;*
- d) to approve the business plan;*
- e) to appoint / dismiss the managing directors of the company and to establish their salaries;*
- f) to approve the collective labor agreement negotiated by the company general manager and team appointed thereby;*
- g) is responsible for the company property management, under the law;*
- h) to approve the revenues and payments, according to the powers granted;*
- i) to examine and submit for approval by the general shareholders meeting, association contracts with third parties;*
- j) to submit to annual review and approval of the general meeting of shareholders no later than 4 (four) months from the conclusion of the financial year, the company's business report, the annual financial statements for the previous year and the draft of activities program*
- k) the annual financial statements and the management report accompanied by supporting documents, are presented to the financial auditors at least one month before the date set for the General Meeting of Shareholders;*

- l) to establish the accounting system and the financial control and approve the financial planning;
  - m) to introduce the company's demand for opening of insolvency proceedings under the law in force;
  - n) to survey the directors' activity;
  - o) to decide on the lease and sublease of own property excluding the assets as defined in the legislation on the privatization of companies or leased within the limits set out by specific legislation in force
  - p) to approve the company's organizational structure and number of posts and establish the normative setup of the functional departments and production;
  - q) to decide on bank loans on short and medium term, respectively less than 5 (five) years, without real-estate guarantees, under the law provisions and respecting the limits established by GSM,
  - r) to inform the General Meeting of Shareholders on bank loans on short and medium term (up to 5 years);
  - s) to exert any other powers and solve any other issues determined by the general meeting of shareholders, or stipulated by the law;
- (2) The Board of Directors will give mandate to the general director and other executives to meet some of its powers.
- (3) The Board may not delegate the mentioned powers to the directors under Art. 17, letters b), d), e), j), k), l), m) and p)."

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**9 Art 23** – “The accounting records and annual financial statements” in CHAPTER VII - COMPANY ACTIVITY of the Constitutive Act of IAR SA is modified as follows:

**“Art. 23– The accounting records and annual financial statements**

(1) The Company shall keep the accounting records as per the Accounting Law, the Accounting Regulations compliant in accordance with the International Financial Reporting Standards and other regulations in force for each financial year.

(2) The annual financial statements will be filed and made public under the conditions provided by law.”

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

**10 The letter (j) paragraph 1 Art. 27** – “Dissolution of the company” from CHAPTER VIII - AMENDMENT OF THE LEGAL FORM, DISSOLUTION, LIQUIDATION, LITIGATIONS of the Constitutive Act of IAR SA is deleted, as follows:

**“Art. 27 – Dissolution of the company**

(1) The following situations lead to the dissolution of the company:

- a) the impossibility of conducting its business;
- b) the declaration of the company nullity;
- c) the resolution of the General Shareholders Meeting;
- d) bankruptcy;
- e) reducing capital below 90.000 lei, after the reserve fund has been consumed if the general meeting of shareholders decides against the completion of the capital or to reduce the remaining amount;
- f) the number of shareholders will be reduced below the number required by the law for a period longer than 9 months;
- g) reducing the net assets (calculated as the difference between the total assets and its total debts) less than 1/2 of the share capital subscribed, provided the general meeting of shareholders decides not to reconstitute the net asset value at least equal to half of the share capital;
- h) at the request of any shareholder, if the circumstances of force majeure and their consequences last more than 8 months, and the General Meeting of Shareholders notes that the company's operation is no longer possible;
- i) the decision of the court at the request of any shareholder, for good reasons, such as serious disagreements between them, hindering the functioning of society;
- ~~j) the provisions of Law no. 85/2006 on insolvency proceedings are met;~~

(2) Dissolution of the company must be registered in the Commercial Register and published in the Official Gazette.”

☐ **PRO**                      or                      ☐ **AGAINST**                      or                      ☐ **ABSTENTION**

*11. The date 10.05.2017 is approved as the registration and identification date of the shareholders who are affected by the resolutions of the Extraordinary General Meeting of the Shareholders dated 19-20.04.2017, and the date 09.04.2017 as ex-date, in accordance with the provisions of Law No. 297/2004 on the capital market.*

☐ **PRO**                      *or*                      ☐ **AGAINST**                      *or*                      ☐ **ABSTENTION**

*12. The Board of Directors and the general director of the Company IAR SA are mandated to carry out the provisions of this resolution, as well as the formalities regarding the publicity required by the law, the Constitutive Act and the CNVM Regulations.*

☐ **PRO**                      *or*                      ☐ **AGAINST**                      *or*                      ☐ **ABSTENTION**

**NAME AND SURNAME .....**

**SIGNATURE .....**

**Date .....**